

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 6, 2015

Mr. Craig C. Platt
Public Works Director
City of Susanville
720 South Street
Susanville, CA 96130-3904

CPF 5-2015-0010W

Dear Mr. Platt:

PHMSA conducted an internal audit of its past regulatory inspection and discovered that this enforcement letter was not issued. PHMSA must ensure that all violations revealed during past inspection are provided to pipeline operators so they can remedy them. We apologize for the tardiness of this letter but we need to ensure you address the regulatory deficiencies to provide for public safety.

On June 28, 2012 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Public Awareness Program (PAP) in Susanville, California.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §192.616 Public Awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

City of Susanville's PAP did not include a written statement of management support, did not name a program administrator, did not identify key personnel and their title, and did not specify resources or funding allocations.

Each operator of hazardous liquid pipeline system, natural gas transmission pipeline system, gathering pipeline system, or natural gas distribution pipeline system must establish (and periodically update) a written PAP designed to cover all required components of the program described in API RP 1162 Section 7.1. The written program must include:

- a. A statement of management commitment to achieving effective public awareness.
- b. A description of the roles and responsibilities of personnel administering the program.
- c. Identification of key personnel and their title (including senior management responsible for the implementation, delivery, and ongoing development of the program).

2. §192.616 Public Awareness

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

The City of Susanville operates a natural gas distribution system consisting of 60 miles of main distribution pipeline, 2942 service lines, and 10 regulator stations, but failed to include these facilities as unique attributes to its system. Where appropriate, communications with affected public and emergency and public officials in proximity of major facilities must include information to promote understanding of the nature of the facility.

Each operator should communicate general information regarding the facility and products stored or transported through the facility, as described in API RP 1162 Section 4.12. Attributes and characteristics include items such as transmission, distribution, gathering, the pipe's physical properties (diameter, wall thickness, etc.), the number of pipelines in the right-of-way (ROW), the location of the above ground facilities along the ROW, and the chemical and physical properties of the products transported.

3. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

City of Susanville failed to identify the baseline and supplemental message delivery frequency and message delivery methods for all stakeholder audience groups as required by API RP 1162, table 2-2. PAP communications frequencies, as required by API RP 1162, for local natural gas distribution (LDC) companies are:

- a. Once a year for Affected Public
- b. Twice a year for LDC customers
- c. Once a year for Emergency Officials
- d. Once every 3 years for Public Officials
- e. Once a years for Excavator Contractors
- f. As applicable for One-Call Centers

Each of the primary stakeholder audiences must be considered independently by the operator when determining the delivery method. Operators may use one or more delivery methods for each of the primary stakeholder audiences and that selection of delivery method is designed to assure all the intended stakeholders receive at least one PAP message during each delivery period.

4. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

City of Susanville did not consider and/or implement supplemental program enhancements as required by API RP 1162 Section 6.2. When the operator develops its PAP and performs subsequent periodic program evaluations, it is recommended that a step for assessing relevant factors along the pipeline route be included to consider what components of the PAP should be enhanced. Each operator must consider each of the factors, specified in API RP 1162, and apply them along the entire route of the pipeline system.

5. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

The City of Susanville failed to establish an annual evaluation process to review its PAP according to the guidelines in API RP 1162. The City did not perform an annual audit each year after initial program implementation in July 31, 2006. The operator should complete an annual audit or review of whether the program has been developed and implemented. The purpose of the audit is to make sure:

- a. The PAP been developed and written to address the objectives, elements and baseline schedule as described in API RP 1162 Section 2.
- b. The PAP been implemented and documented to the written program.

Each operator must use self-assessment, third-party, or regulatory inspections as an alternative methodology when completing an annual audit or program implementation.

6. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

The City of Susanville did not have a process determining program changes or modifications based on results of the evaluation to improve PAP effectiveness according to the guidelines in API RP 1162. The City did not perform an effectiveness evaluation of its PAP since the initial program implementation in July 31, 2006. An effective evaluation was due by July 30, 2010. Each operator should assess progress on the following measures to assess whether the actions undertaken in implementation of API RP 1162 are achieving the intended goals and objectives:

- a. Whether the information is reaching the intended stakeholder audiences.
- b. If the recipient audiences are understanding the message delivered
- c. Whether the recipients are motivated to respond appropriately in alignment with the information provided
- d. If the implementation of the PAP is impacting the bottom-line results.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2015-0010W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

PHMSA does apologize for any inconvenience or confusion that this delayed enforcement letter might cause. If there are any questions concerning this letter, please do not hesitate to contact me at (720) 963-3160. Thank you for your cooperation in this matter.

Sincerely,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 H. Monfared (#139070)